

**BUDGET ADVISORY COMMITTEE MEETING
DAVIE TOWN HALL
6591 Orange Drive, Davie, FL
September 18, 2006 at 5:30 p.m.**

1. ROLL CALL

The meeting was called to order at 5:35 p.m.

Present at the meeting were Chair Dr. Bob Preziosi, Vice Chair Scott Spages, and Committee members Dan Barr, and David Oakes. Dr. Kerry Waldee was absent.

Also present from the Town was Mark Kutney and William Underwood, Budget and Finance Department.

Guests present included Lori Parrish, Broward County Property Appraiser.

2. APPROVAL OF MINUTES

There were no minutes available to be approved.

3. OLD BUSINESS

3.1 Quarterly Report

a) Space Study

It was noted that this matter was kept on the agenda in the event this matter moved forward.

b) Cost Recovery – Mark Kutney

A memorandum provided by Mr. Kutney was given to the Board Members summarizing cost recovery is at this juncture.

Mr. Kutney stated that they were making progress and doing a better job at documenting the costs. At this point, the biggest issues are integrating the software program, learning invoicing, and staff implementation in ensuring that time charges are accounted for and documented.

The question was asked if the Town is at 90% compliance, what more they needed to be doing to bring them up to 100%. Mr. Kutney indicated he was not sure what further action needed to be taken to ensure full compliance at this point. It was noted that this was a performance issue and should be addressed through management.

BUDGET ADVISORY COMMITTEE MEETING

SEPTEMBER 18, 2006

Ms. Parrish briefly outlined Broward County's procedures and protocol for cost recovery.

An invitation was extended to Ms. Parrish to attend future Budget Advisory meetings for further advice and expertise in this regard.

Ms. Parrish questioned several charges for Development Services and consultants, asking about Town credit cards and suggesting that basic services be standardized in order to better analyze cost recovery.

Ms. Parrish indicated she had a meeting with Mayor Truex, Mr. Underwood, and Mr. Muniz and suggested the following matters for consideration.

- The Town needs to amend its written policy with respect to education tuition reimbursement with a recommendation given to the Town Council to limit the amount and scope of education in relation to their employment.
- The question was asked whether there is a precedent for requiring police and fire employees to live within the Town. Ms. Parrish stated that several municipalities do require residency; however, that is not related to her budgetary concerns.
- The health insurance contract needs to be revisited; there has been no cost containment; there have been no bids since 2002, renewals have been automatic. The Town also needs to reconsider dependent care costs and switching to an HMO plan.
- Charity spending by the Town is excessive; there is no auditing procedure.
- CRA and Development Services budgets are extreme.

Ms. Parrish asked that she be able to either serve on the Committee or act in an advisory capacity in order to assist with budgetary review. She stated her belief that dramatic action should be taken and recommendations made to the Town Council.

Mr. Kutney's presentation regarding Capital Improvements was deferred to the October meeting.

Motion made by Vice Chair Spages, seconded by Mr. Barr to ask the Town Council to cease and desist spending taxpayer's money in the form of non-profit donations/community endowments, and move the funds into the reserves. In a voice vote, the motion passed unanimously (4-0).

Chair Preziosi suggested an immediate review of the Town's education reimbursement policies.

Motion made by Vice Chair Spages, seconded by Mr. Oakes, to put the Town's health insurance contract out for bid. In a voice vote, the motion passed unanimously (4-0).

**BUDGET ADVISORY COMMITTEE MEETING
SEPTEMBER 18, 2006**

It was noted that current bids for laptops are \$1,300.00.

Motion made by Chair Preziosi, seconded by Mr. Oakes, to support the action taken by the IT Director in his effort to bring it all together under a single umbrella a cost of \$1,300.00 per computer in the latest bid obtained, to purchase all Town of Davie needed computers through that bidding process. In a voice vote, the motion passed unanimously (4-0).

Mr. Underwood noted that a policy and procedure manual does not exist indicating that the forensic and internal auditors had previously suggested one. It may be necessary to go out to bid to hire someone draft a manual. He stressed the necessity of written policies for revenue collection and spending, suggesting that Moore, Stephen, Lovelace, the firm previously hired to do internal controls, be brought back in to assist in that effort.

Motion made by Vice Chair Spages, seconded by Mr. Oakes, to request that the scope of Moore, Stephen, Lovelace be expanded to develop a policy and procedures manual for the Town's whole financial structure. In a voice vote, the motion passed unanimously (4-0).

Motion made by Mr. Oakes, seconded by Mr. Barr, to recommend legal services be put out for bid, as well as undertake an evaluation of in-house versus outside legal counsel. In a voice vote, the motion passed (3-1).

3.2 Set Fiscal Goals - Not discussed

a) Debt Service

b) Reserve Budget

3.3 Annual Report – Due January 31, 2006 - Not discussed

3.4 Capital Projects FY 2007-2011 - Not discussed

3.5 FY 2007 Budget - Not discussed

4. NEW BUSINESS

4.1 Mark Kutney – Capital Improvement Element – deferred.

5. COMMENTS AND/OR SUGGESTIONS – None

6. ADJOURNMENT

As there was no further business to discuss and no objections, Vice Chair Spages made a motion, seconded by Mr. Barr, to adjourn the meeting at 7:05 p.m. In a voice vote, all voted in favor.

Date approved

Chair/Committee Member